



PSC NEWS

Missouri Public Service Commission

Contact: Kevin Kelly

Phone: (573) 751-9300

Governor Office Building, Suite 900

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PSC SETS INTERVENTION DEADLINE IN SOUTHERN UNION CASE TO ACQUIRE PANHANDLE EASTERN PIPELINE COMPANY

Jefferson City (January 22, 2003)---Southern Union Company has filed an application with the Missouri Public Service Commission seeking authority to purchase the equity interest of Panhandle Eastern Pipeline Company, including various subsidiaries involved in natural gas transportation and storage services in the Midwest. Missouri Gas Energy, which provides natural gas service to approximately 500,000 customers in western Missouri, is a division of Southern Union Company.

Panhandle Eastern Pipeline Company, an interstate natural gas pipeline providing natural gas to various entities, is regulated by the Federal Energy Regulatory Commission (FERC). Panhandle's system in Missouri spans from Cass County in the west to Pike County in the northeast part of the State. Panhandle Eastern Pipeline Company is the third largest provider of natural gas in Missouri serving AmerenUE, Atmos Energy, Fidelity Natural Gas, Laclede Gas Company, Missouri Gas Energy and Aquila. It also provides natural gas to a number of unregulated municipal systems in Missouri.

According to the application filed by Southern Union Company, the proposed purchase will have no adverse affect on the customers of Missouri Gas Energy with respect to rates, service or otherwise and, consequently, is not detrimental to the public interest. The application also states that Southern Union's Missouri customers will see no change in their day-to-day utility service or rates, and said customers will continue to be served effectively and efficiently without interruption.

Applications to intervene and participate in this case must be filed on or before January 24, 2003 with the Secretary of the Missouri Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102. Copies of the application should be sent to: James C. Swearengen, Paul A. Boudreau and Sondra B. Morgan, Brydon, Swearengen & England, P.C., 312 East Capitol Avenue, P.O. Box 456, Jefferson City, Missouri 65102; and the Office of the Public Counsel, P.O. Box 7800, Jefferson City, Missouri 65102.

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